

Producer Licensing Draft

01/07/02 6:21 p.m.

I. Substantive Changes

Section 1. States the Legislature finds the following: Subtitle C of the Gramm-Leach-Bliley Act requires States to achieve uniformity or reciprocity, but not at the expense of laws protecting insurance consumers; and the Act expressly saves from alteration consumer protection laws not inconsistent with the Act. The Legislature intends to comply with uniformity and reciprocity requirements of the Act while preserving consumer protect laws not inconsistent with the Act.

Section 4. Creates s. 626.015, F.S., as a definitions section. Transfers existing definitions from other sections into this section. Creates new definitions for the terms “home state,” “limited lines insurance,” and “line of authority.” Amends definition of “agent.”

Section 5. Creates s. 626.025, F.S., to set forth certain license requirements as consumer protections.

Section 8. Creates s. 626.175, F.S., relating to temporary licenses. Combines four sections in current law addressing temporary licensing of general lines agents, due to death or disability of an agent (s. 626.739); industrial fire or burglary agents, pending examination (s. 626.740); life agents representing industrial or ordinary-combination class insurers, pending examination (s. 626.790); and life agents, due to death of agent (s. 626.791). The length of temporary licenses issued would be 6 months for all types.

Section 9. Amends s. 626.221, F.S., relating to examination requirements, providing additional exemptions for:

- Customer representatives with the designation of Professional Customer Service Associate and adjusters with the designation of Professional Claims Adjuster from the Professional Career Institute, provided the Department of Insurance (Department) has approved the curriculum.
- Agents transferring licenses from other states, if they have completed an exam in their home state; have a CPCU designation; or have a CLU designation.
- Applicants as nonresident agents if they have completed successfully an exam in their home state; were licensed in their home state prior to being required to pass an exam; have a CPCU designation; or have a CLU designation.

Section 10. Creates s. 626.292, F.S., allowing agents becoming Florida residents to transfer their licenses. Agents qualify for a transfer if the agent becomes a Florida resident; has been licensed for at least the one year period immediately preceding becoming a Florida resident; and submits a Florida application within 90 days of

becoming a Florida resident and pays the required fees, along with submitting fingerprints and certification from their home state stating that the individual was licensed in good standing. The individual is not required to complete pre-licensing education if such education was a prerequisite in the individual's home state and those requirements are equivalent to the pre-licensing requirements in Florida. The individual would not be required to take an examination if he or she qualifies for an exemption under s. 626.221(2)(m), F.S.

Section 11. Amends s. 626.301, F.S., to specify that licenses issued by the Department would be required to contain the licensee's name and lines of authority, along with other information.

Section 12. Creates s. 626.535, F.S., requiring agents to report to the Department certain final dispositions of administrative actions taken against them. The Department would be given the authority to adopt rules to implement this requirement.

Section 13. Amends s. 626.551, F.S., to extend the time period allowed for licensees to notify the Department of a change of address or name to 60 days. Failure to notify the Department within that time would result in a fine of up to \$250, and subsequent offenses would result in fines of \$500 or more or revocation of the agent's license.

Section 16. Amends s. 626.741, F.S., relating to the licensing of nonresident agents. Authorizes the Department to enter into a reciprocal agreement with another state waiving the examination requirement, if the other state allows Florida agents to be licensed as nonresident agents; the Insurance Commissioner from the other state certifies that the nonresident applicant is licensed in good standing; and the nonresident applicant is exempt for the examination requirement under s. 626.221. The Department would be required to verify the nonresident applicant's licensing status through the National Association of Insurance Commissioners Producer Database, if available.

Section 23. Amends s. 626.792, F.S., relating to the licensure of nonresident life insurance agents to specify that the Department may enter into a reciprocal agreement with another state waiving the examination requirement, if the other state allows Florida agents to be licensed as nonresident agents, and the nonresident applicant is exempt for the examination requirement under s. 626.221. The Department would be required to verify the applicant's licensing status through the National Association of Insurance Commissioners Producer Database, if available.

Section 25. Amends s. 626.835, F.S., relating to the licensure of nonresident health insurance agents to specify that the Department may enter into a reciprocal agreement with another state waiving the examination requirement, if the other state allows Florida agents to be licensed as nonresident agents, and the nonresident applicant is exempt for the examination requirement under s. 626.221(2)(n). The Department would be required to verify the applicant's licensing status through the National Association of Insurance Commissioners Producer Database, if available.

II. Technical / Conforming Changes

Sections 2, 3, 7, 14, 15, 19, 21, 26, 27, 28, and 29. Conforms cross references.

Section 6. Amends s. 626.032, F.S., to remove a definition transferred to s. 626.015, F.S.

Sections 17, 18, 20, 22, and 24. Creates new sections transferring current law into different sections.

Section 30. Repeals certain sections.

Section 31. Provides an effective date.

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